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RURAL DEVELOPMENT VERMONT AND NEW HAMPSHIRE



Committed to the future of rural communities.

Committed to the future of rural communities.

www.rurdev.usda.gov/vt

Message from the Acting State Director - Rhonda L. Shippee

2008 was a year of hope and challenge. USDA Rural Development staff in Vermont and New Hampshire took every opportunity to connect federal resources to as many communities, businesses and individuals as we could reach. Our persistent efforts to market over 40 RD programs including the construction or rehab of water and wastewater systems, homes, businesses, child care centers and renewable energy systems, reached a record investment of almost \$200 million dollars in FY '08. These federal dollars are leveraged many times by our public, private and non-profit partners. State and local agencies, economic and community development organizations, lenders, engineers and entrepreneurs help RD connect its assets to projects which create a very real impact across our two state region.

This year we are proud to recognize and honor *New Hampshire Housing* and *Northeastern Vermont Development Association* as our NH and VT Partners of the Year; and *Merrimack Mortgage Company* and *Community National Bank* as the NH and VT Lenders of the Year. One investment at a time, these strong relationships help our communities and citizens realize their potential to thrive.

A new internal customer program recognizes the outstanding customer service provided by our employees. VT and NH recognized five *Community Champions* -- employees who have gone above and beyond their prescribed duties to provide the highest level of customer service to individuals, communities and businesses, connecting program resources 'to increase economic opportunity and improve the quality of life' – rural development's mission. Note our Community Champion posters throughout this report.

Topping \$1 billion investment in VT and NH since 2001, we can point to cleaner drinking water and streams, safer public buildings and child care facilities, thousands of first-time home-buyers who realized the American Dream of Home Ownership, and business opportunities offering livable wage jobs that are the backbone of our rural communities. Facing constant change and challenge in our domestic and global economy, USDA Rural Development and its committed employees will continue to work hard to support community-driven growth that makes rural VT and NH a wonderful place to live, work and play.

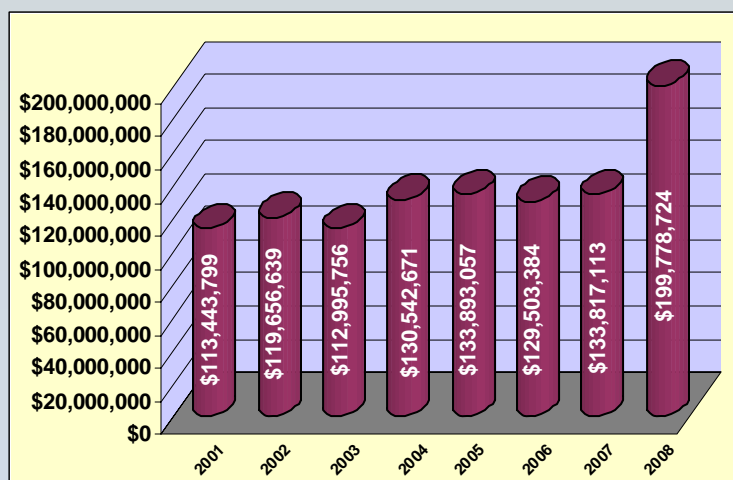
As 2009 begins, we say farewell to Jolinda LaClair, who served as the State Director for USDA Rural Development VT/NH for the past eight years. Jolinda's leadership was instrumental in our accomplishments as individuals and as an organization locally and nationally. Thank you Jolinda!

We also say, "Welcome!" to a new administration. We look forward to bringing opportunity to rural VT and NH. With the passage of the American Recovery and Reinvestment Act of 2009, which includes funding for eight Rural Development programs, we are off to great start.

\$1,073,613,143

2001-2008

Investment in New Hampshire and Vermont



Front Cover Photo: 1) City of Barre representatives accept a ceremonial check for a CF Grant and Loan to help purchase a new ambulance. 2) The Bethlehem (NH) Redevelopment Association will use a CF grant to improve drainage and outdoor reception area to the Colonial Theatre. 3) Village of Bartlett hosted USDA Secretary Ed Schafer for Volunteer Service Awards and ceremonial check presentation to the Lower Bartlett Water Precinct and the Mount Washington Valley Economic Council. 4) Vermont Rural Economic Area Partnership (REAP) Zone awardees and U.S. Senator Patrick Leahy, his wife Marcelle Leahy, celebrate FY 2008 RD investment in Vermont's Northeast Kingdom with a ceremonial check presentation and an announcement of the REAP Zone extension to 2012. 5) VT Agency of Agriculture's new mobile freezer unit, funded by a Rural Business Enterprise Grant. 6) A 10kwh Wind Turbine at Stony Pond Farm, Franklin, VT, funded by Rural Energy For America grant.(Photo by Tyler Webb). 7) Cheryl Ducharme, RD Loan Specialist, Wanda Allaire, Universal Mortgage Loan Professional, local real estate representatives, join the Kresky family, new homeowners in Hardwick, VT, during a Homeownership Month Celebration.

Our Mission

To increase economic opportunity and improve the quality of life for all rural Americans.



Housing

More than ever before, affordable housing options have never been more critical. Offering mortgage loan opportunities, through *Section 502 RD's Direct Loan and Guaranteed Loan Program* families and individuals with low to moderate incomes can become homeowners at affordable rates and terms. The *Direct* program offers payment assistance subsidy to borrowers to reduce payments, and the *Guarantee* program insures lenders against losses— up to 90% of the loan.

The *Section 504 Home Repair Loan and Grant Program* offers 1% loans, up to \$20,000, to individual very low income households; and grants (based on need), up to \$7,500, to applicants age 62 or over.

The *Housing Preservation Grant* program provides capital to non-profits to act as intermediary to help low income homeowners make needed repairs or accessibility modifications that enable them to remain in their homes safely and affordably.

Affordable rental housing opportunities at new and revitalized rental housing complexes are made possible by the *Rural Rental Housing Loan, Loan Guarantee* and *Rental Assistance programs*.

Photo: Single Family Home financed by USDA Rural Development.



Community Facilities

Grants, direct loans and loan guarantees are available to finance capital projects in rural areas of up to 20,000 population. Eligible recipients include community based non-profit organizations (including faith based organizations) and public bodies. Funds may be used to acquire equipment and/or construct, purchase, expand, or improve facilities that provide essential services to the community. Grants have a match requirement (which can be an RD loan) and are limited to applicants who serve low income areas (less than 90% of the statewide median income). Loans may cover up to 100% of project costs. There are no minimum or maximum loan amounts, equity requirements or processing fees. The interest rate varies based on the median income of the service area.

Examples of Community Facilities

Fire trucks, ambulances, community and senior centers, town halls, libraries, fire and police stations, museums, child care and preschools, hospitals, nursing homes, health clinics, adult care centers and more!

Application Process

All loan and grant applications are accepted throughout the year and are processed by the local RD office.

Photo: Pemi-Baker Home Health & Hospice located in Plymouth, NH obtained a loan guarantee through Northway Bank to purchase a new facility for staff offices and a rehab center that includes a therapy pool (pictured).



Utilities

Water and Environmental Programs

Provide direct loans and grants to finance water and wastewater (including solid waste and storm drainage) systems in communities up to 10,000 population. Grants limited to low income communities and based on financial need. The application process begins with submission of a preliminary engineering report.

Solid Waste Management Grants

Available to public entities and non-profit organizations to identify and evaluate solutions to solid waste issues on a regional basis in rural areas. Applications must be filed by December 31 to the RD State Office.

Telecommunications Programs—

Broadband Access Loans can be used for construction, improvement and purchase of facilities to provide broadband services in rural areas. Applications may be filed at any time to RD in Washington DC, however, technical assistance and guidance is available at the RD State Office.

Distance Learning and Telemedicine Grants bring distance learning to rural schools or telemedicine to rural health care providers. Applications are invited annually by Notice of Funding Availability. Contact RD to receive notification.

Photo: Montgomery Town residents join VT Governor Jim Douglas for a 'clean water toast' at the dedication of their improved water system.



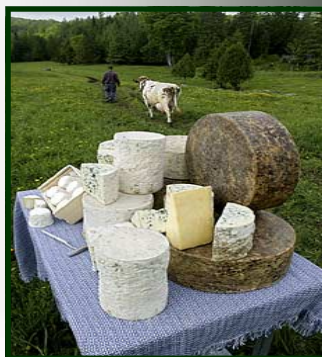
Business

Rural Development's *Business and Industry Guaranteed Loan Program*, and *Intermediary Relending Program*, work in partnership with the private sector and community-based organizations to provide financial assistance and business planning, helping to fund projects that create or preserve quality jobs.

Rural Business Enterprise Grants finance and facilitate development of small and emerging rural business, and *Rural Business Opportunity Grants* promote sustainable economic development through provision of training and technical assistance for business development, entrepreneurs, and economic development officials and to assist with economic development planning.

Rural Energy for America Program (REAP) Grants and Loan Guarantees provide financing for agricultural producers and rural small businesses to purchase and install renewable energy systems and make energy efficiency improvements. Eligible projects include: Biomass for combined heat and power, solar and wind electric generation, solar hot water, geothermal, hydroelectric generation, and a variety of efficiency technologies, such as high energy efficient lighting for restaurants, fitness centers, auto repair facilities; specialized equipment for maple sugar producers; and replacing inefficient oil-fired boiler with new efficient oil-fired boiler for commercial buildings.

Photo: Skilled craftsman at Pompanoosuc Mills. A Rural Development loan guarantee to finance the company's expansion and new showroom in Thetford, VT.



Agriculture

Working to strengthen Vermont and New Hampshire agricultural and forest industry, Rural Development offers programs which support the working landscape assisting farms, forest product manufacturers and small businesses, and cooperatives.

Value-Added Producer Grants can enhance agri-business by financing planning and feasibility studies as well as working capital for marketing value-added agricultural and for farm-based renewable energy.

Rural Energy for America Grants and Loan Guarantees can assist small businesses, farmers and agricultural producers in reducing energy costs or developing new renewable energy generation sources. Solar generation, maple reverse osmosis systems, methane digesters, lighting improvements and other projects qualify for funding.

Rural Business Enterprise and Opportunity Grants can be used to provide technical assistance to small businesses, farmers and farm organizations. Funds have been used to study new markets, provide consulting services and to add capacity to Vermont's artisanal cheese industry.

Farmers can obtain *Farm Labor Housing Loans* to purchase or construct housing to house their farm workers.

Photo: Jasper Hill Farm artisanal cheese. A Rural Development loan guarantee and Rural Business Enterprise Grant assisted towards the development of the farm's new cheese cave facility.

Rural Development employees are committed to Rural America.

Supporting Vermont's Agricultural Community.



Sherry Paige delivers economic growth opportunities to Vermont's Agricultural Business community with enthusiastic dedication.

With USDA Rural Development Business Program's Renewable Energy for America Program, Rural Business Enterprise Grant and Rural Business Opportunity Grant Programs, Sherry has helped agricultural producers with technical and financial resources to expand or improve their operations.

Sherry and the Montpelier Area Office team assisted its Maple Producers in successfully obtaining energy efficiency grants to purchase equipment, saving them thousands of dollars and increasing their bottom line.

Sherry's partnership with public, non-profit and private sector organizations make a very real difference in Vermont farmers and the local economy.

Learn more about how USDA Rural Development can make a big difference in your community. Contact your local office or visit www.usda.gov/rda.



We help build sustainable communities throughout rural New Hampshire and Vermont.



Communities are in good hands when USDA Rural Development Construction Analyst, Joe Silveira, applies his leadership and expertise to Rural Development funded project designs and construction.

Silveira helps individuals, community organizations, and housing developers use public, private, and non-profit resources to build affordable and accessible community facilities and housing throughout rural New Hampshire and all of Vermont.

Learn more about how USDA Rural Development can make a big difference in your community. Contact your local office or visit www.usda.gov/rda.



We create viable communities throughout rural New Hampshire.



Even in difficult economic times, Housing Loan Specialist, Janet Glasgow, helped the New Hampshire's USDA Rural Development Office generate housing opportunities in Vermont of Northern New Hampshire's rural communities.

Working with partners and lenders, the New Hampshire Rural Development Housing team assisted 344 families and individuals to become homeowners in 2008 and 143 homeowners, many elderly or disabled, received their homes with home repair loans and grants.

Understanding the New Hampshire's Country's needs and economic struggles, Janet guides applicants, partners, and lenders to homeownership and community development funding sources to sustain a viable rural community.

Learn more about how USDA Rural Development can make a big difference in your community. Contact your local office or visit www.usda.gov/rda.



Serving our customers

USDA Rural Development's goal is to be a full partner in economic and community development...an advocate for rural New Hampshire and Vermont. Our employees are in the field proactively promoting rural development.

For more information on USDA Rural Development Programs, visit our website at www.rurdev.usda.gov/vt or contact us at one of our offices conveniently located throughout New Hampshire and Vermont.

Vermont State Office

(serving Vermont and New Hampshire)

USDA Rural Development

89 Main Street, City Center 3rd Floor

Montpelier, VT 05602

Phone: (802)828-6080 ♦ Fax: (802)828-6018



We create viable communities throughout rural New Hampshire.



NEW HAMPSHIRE

Concord Area Office

(serving Belknap, Cheshire, Hillsborough, Merrimack, Rockingham, Strafford, and Sullivan Counties)

USDA Rural Development

Concord Center, Suite 218, Box 317 ♦ 10 Ferry Street

Concord, NH 03301

Phone: 603-223-6035 ♦ Fax: (603)223-6061

Conway Area Office

(serving Carroll, Coos, and Grafton Counties)

USDA Rural Development

73 Main Street, PO Box 1020

Conway, NH 03818

Phone: (603)447-3318 ♦ Fax: (603)447-3304

VERMONT

Brattleboro Area Office

(serving Bennington, Rutland, Windham, and Windsor Counties)

USDA Rural Development

28 Vernon Street, Suite 333

Brattleboro, VT 05301

Phone: (802)257-7878 ♦ Fax: (802)254-3307

Montpelier Area Office

(serving Addison, Chittenden, Grand Isle, Franklin, Lamoille, Orange, and Washington Counties)

USDA Rural Development

89 Main Street, City Center 3rd Floor

Montpelier, VT 05602

Phone: (802)828-6012 ♦ Fax: (802)828-6076

St. Johnsbury Area Office

(serving Caledonia, Essex and Orleans Counties)

USDA Rural Development

481 Summer St., Suite 203,

St. Johnsbury, VT 05819

Phone: (802)748-8746 ♦ Fax: (802)748-1621

www.rurdev.usda.gov/vt

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USDA Rural Development

2008 Investment in ...

Vermont

Business.....\$18,438,137
 Community.....\$10,753,365
 Housing\$36,762,969
 Utilities\$24,510,427
 Total.....\$90,608,941

New Hampshire

Business.....\$ 7,389,796
 Community.....\$ 4,254,830
 Housing.....\$66,607,462
 Utilities\$30,917,695
 Total.....\$109,169,783

Total..... \$199,778,724

A Brighter future ...

- 555 families and individuals became homeowners or improved their homes.
- 240 homes repaired to remove health and safety hazards and to make homes accessible for people with disabilities.
- 126 units of affordable family and elderly rental housing will be created or rehabilitated throughout VT.
- 9,264 customers throughout rural VT and NH communities now have improved water or wastewater systems—\$30.4 million loan and \$16.8 million grant funds.
- Connecting rural NH and VT to the world, Community Connect Grants were awarded to Northern Community Investment Corporation, serving Stratford, NH and White Mountain Cablevision serving Dixville, NH.
- Topsham Telephone Company will expand their fiber network to parts of VT and NH with a Broadband Loan .
- \$14.77 million in Community Facility projects that included:
 - ✓5 education projects ✓5 social service provider projects
 - ✓2 health care projects ✓9 public safety projects
 - ✓8 child care projects ✓3 library projects
 - ✓2 community-based welcome centers
 - ✓9 senior centers/community centers/town halls
- 1,560 jobs created or saved and 243 businesses assisted with RD Business Program loans, loan guarantees and grants.
- 35 energy efficiency improvement and renewable energy projects totaling more than \$3 million were funded by Rural Energy for America Program.
- 2 states, 5 offices, 62 employees connecting over 40 Rural Development programs to VT and NH rural communities and citizens.



Local officials, Greater Bridges Properties Representatives, and RD Loan Specialist, Rob McCarthy, at Jaffrey Mills ribbon cutting.

Jaffrey Mills, a 32 unit family rental housing complex in downtown Jaffrey, NH was partially funded by RD.

New Hampshire Rural Energy for America Grant Awardee, Peter Van Berkum, receives a ceremonial check from U.S. Senator John Sununu and RD State Director Jolinda LaClair. Van Berkum



Gardens used their energy grant to install an energy curtain system at their commercial greenhouse. The ceremonial check celebration was held at Pleasant View Gardens' North Pembroke, NH facility. In 2008, Pleasant View Gardens also received an energy grant and loan guarantee to replace their heating system at the North Pembroke facility with a wood fired boiler system.



Groundbreaking for the Castleton Community Seniors' new health and fitness adult health care center. Using CF loan funds, the Senior center will

renovate and expand a historic barn to better serve the Castleton community.

Yellow Barn, Inc. received a Community Facility Loan to purchase eight highly specialized music rehearsal spaces with significant sound insulation utilizing green technology.

